GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5291
ANSWERED ON:29.04.2005
PRIVATE SECTOR INVESTMENT IN INFRASTRUCTURE
Sethi Shri Arjun Charan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to provide incentives for Private sector investment in infrastructure development for higher GDP;

(b) if so, the details thereof; and

(c) response from the private sector thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) Yes, Sir.

(b) Government of India proposes to provide viability gap support to public private partnership projects in infrastructure and establish a Special Purpose Vehicle that would provide debt of longer term maturity to eligible projects in infrastructure sector. Also, a Committee on Infrastructure has been constituted at the highest levels of the Government to oversee the policy and regulatory issues facing these sectors.

(c) The actual response of the private sector would be known once the proposed measures become operational.